

Previous references.

1874

191.

(S. R. :

File No. 8,

Serial Nos. 1—2

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1—2

Major Part B for March 1876.

SUBJECT.

Abkari arrangements of the Province under the
Sadar Distillery System.

Indexed.

Subba Rao

Notes

Memorandum

I beg leave to submit the following remarks with reference to the Chief Commissioner's minute, regarding Mr. Shaw's offer to take up the monopoly of distilling Arrack for one or more districts in Mysore. Mr. Shaw has submitted a Memo to show that the official return of the quantity of spirits consumed in Mysore gives a far lower scale of consumption (excepting in certain districts) than in the adjoining Madras districts and argues from it that there must be extensive smuggling going on. I beg leave to submit that I am not prepared to say that our system of the H. B. Carr Revenue administration

2
is so very perfect that smuggling cannot exist but what I contend is that a mere want of uniformity of law in the percentage of consumption to the population between the districts of Elladra and Ellyore is in itself inadequate to support Mr. Shaw's conclusion. I mean that the disagreement in question may arise from a variety of causes other than smuggling of liquor. Climate, we know, materially influences the propensity to drink in man. A Country with a manufacturing population consumes a greater quantity of liquor than one of which the population consists mainly of the agricultural classes as in Ellyore. Then belong-
ing to Castes which prohibit drunkenness may muster in stronger force in one district

than in another and our
Census returns show that
a large number of our Ag-
=cultural and non-agri-
=cultural classes are Shi-
=vayets and Brahmins
whose caste prohibits drink-
=ing under severe religious
penalties. In Madras the
price of liquor is fixed by
Government and cannot
be exceeded. In Mysore on
the other hand there is no
such restriction and liquor
passing thro' the hands first
of the distillers, then of the
wholesale vendors and
lastly of the retail vendor
may be priced at rates little
short of prohibitive and
may be without the reach
of many men who would
in Madras drink to their
hearts' content. Even under
the old rules the strength
of liquor distilled and the
price at which it used

to be sold in Ellypore were
higher than in all other
which of course must dis-
minish the quantity of
consumption. The facilities
~~for procuring it?~~
~~being the same~~ extracted
from the date tree in the
Ellydan, and Bugni in the
Maluad Salutes, are greater
and the article cheaper in
Ellypore than in H. ell's
Territories which must
affect the consumption of
Arrack.

2. In illustration of
some of the foregoing remarks
I beg to invite attention to
the Statement herewith
submitted which I have
drawn up from the records
of this Office. I will con-
fine my remarks to the 3
districts particularized by the
Chief Commr viz. Orissore,
Lunkur, and Hafsan, the
figures for which, as given
by ell I have, are certainly

drinking. In the first place the percentages of the non-drinking classes to the total population in the 3 Districts are 25, 15 & 20 respectively. The first figure is the largest for the whole province excepting Chinapa. It more-over includes the town of Mysore in which the consumption of arrack must be seriously diminished by the facilities for procuring European cheap liquor. The consumption of toddy in this district is also the largest in the Province.

3. The smallness of the figures for the Hassan District may similarly be accounted for. In that district Buggi toddy is very largely drunk in the Malnad portion, and I think the European Planters in the Malnad Taluqs indulge their Estate Coolies with cheap European

ignorance -

In the Tumkur District and in that of Chitaldroog too the percentage of arrack drinking classes is comparatively less. If this result is owing to habits & taste restrictions of the people it is I think more a matter for congratulation than for regret. But the fact is that toddy consumption in the Tumkur District is comparatively large and in Chitaldroog only second to Mysore. If however smuggling from the border districts be in any degree the cause of the apparently smaller consumption of arrack I beg leave to submit that time should no longer be lost in adopting proper preventive measures which would improve our revenues and which consist in the constitution of an efficient detective Agency as

suggested in para 3 of my
Memo No 443.

5 With regard to Mr
Shaw's application that
gentleman asks to be per=
=mitted to take up the
work of sole Distiller of
Arrack for one or more Dis=
=tricts in Mysore. I think
for my own part that it
would be undesirable to
accede to his prayer, for a
monopoly in any trade can
only be tolerated in the
hands of the Govt and not
in that of any private in=
=dividual as it would have
the effect of making him
thrive at the expense of the
Government and of the con=
=sumer of the article and
would therefore be objection=
=able from a Political eco=
=nomy point of view.

6. There can however be
no doubt that the firm of
Messrs Parry & Co. may be u

a position to ~~pay~~ a higher
rate of duty and sell to the
people a more genuine and
less deleterious liquor. In
the statement of distiller's
profits which accompanied
my former memo on this
subject I showed that the
rates of still head duty might
be considerably enhanced.

N^o 571 enclosed in letter N^o 347 of
11th
28 October 1873.

But the Chief Commissioner
with due regard to modera-
tion was pleased to put a
slight increase on the pre-
vious rates and even to this
some of our Officers are
objecting as may be seen from
my recent memo N^o 443
referred to. I would not ad-
vise therefore that until
we have had some experience
of the results of the working
of the new rates any further
addition should be made
to them and the monopoly
given away to a few outsi-
ders and the people of the

province deprived of an opportunity of being benefited by the trade in this article nor would I as suggested by elles Shaw interfere with the existing rates at which toddy is sold as shown in the statement appended which are fixed by Soubz. The effect of the measure would certainly be to diminish the consumption of toddy and encourage that of arrack and other European cheap liquors which are more injurious to health than the palm juice.

7 For the foregoing reasons I would not recommend elles Shaw's application for favorable consideration but would advocate the retention of the present system introducing into it the element of competition which is sad, wanting and upon which the

the whole theory of the
Suder Distillery system
is based. The privilege of
distilling Arrack in the
Distilleries regarding which
I fear there is at present
much room for favouritism
should ~~be a special~~ ^{be a special} ~~be a special~~ ^{be a special}
Kagar be put up to auction
after ascertaining the
number of Stills that should
be established. The addi-
tional income that would
thus be derived might most
profitably be expended in
the entertainment of the
Pygmees I have recommended
above, thus preventing the
latter measure from beco-
-ming a new charge on the
present revenues of the
Govt. The proceeds of the
auction sale would be tan-
-tamount to a proportionate
addition to the present
still head duty but will not
I think be a legitimate sub.

ject of complaint, for
the unfettered distiller
in Calypso would instinc-
tively recoup himself by
raising the price of his
commodity the consump-
tion of which would thus
receive a wholesome check.

As however the
Chief Commissioner is
pleased to consider Mr
Shaw's offer deserving
of trial on a limited scale,
Sir Richard Meade's mi-
nute thereon may be cir-
culated to the Commissioners
of Divisions for opinion
as directed. I have thought
it my duty to submit the
latter with the foregoing
few remarks as the Chief
Commissioner might wish
to read it again in con-
nection with the Stag
Commr's letters touching
many of the points thereon
discussed including the

abolition of certain out-
rigger distilleries, which
was one of the topics
of the minute in question.

B. J. J. J.

22/9/73

I don't think Mr
Shaw's figures which
were taken from our
last Administration
Report have been
satisfactorily explained
away & I have
no doubt that
both smuggling &
illicit manufacture
are rampant in
the Province. Mr
do I think that
it can be checked by
the means advocated
by the Head Khristian;
for, however large may
be the number of distilleries
they are certain to come
to show they find

enclosed in one envelope
- the larger the
number the ~~more~~ less is
the personal incentive of
each distiller to check
smuggling & illicit
manufacture.

In my opinion the
Sudder distillery sys-
tem has proved a
failure & requires ten-
tative modification.

The system which I
advocate is that which
has proved so successful
in the Madras towns,
divested of favoritism.

I think no manufacturer
only should be allowed
for each district. Govt
should bind themselves
to purchase from him
a minimum number
of gallons ^{per annum} for a
term of 3 years. Tender

Should be invited by
advertisement for
the right of manufacture
stating at what price
per gallon the applicants
were prepared to sell
the liquor to Govt,
& the lowest tender
if otherwise unobjec-
tionable should be
accepted. Govt should
then sell the liquor at
their own price to
the wholesale dealers,
& no other alteration
in the selling arrange-
ments would be
necessary, except
that I would ad-
vocate an Asst.
Comr being put
in charge of the
Alkary in the
district where the
change is first introduced.
so there

Should be tentatively
introduced in the
district from 1st Apr
next - & possible
also at Palnully
20/9

Notes. —

The Supts. propose
to put up to auction
the right of establishing
Stores in the Sudder Dis-
trict, would be wholly
opposed to the Sudder
District system. —

2. I am not prepared to ad-
-mit that that system has
shown "a failure" in the
examined then compared
with the arrangements
that preceded it, but
I am quite satisfied that
it is defective on some
important points; — as
1) there is really no com-
petition among the dis-
tillers. 2) there is reason
to believe that liquor is
smuggled out of the
Sudder Districts, &c.
3) the control arrange-
ments are more or less ineffec-
tive. —

3. The want of com. petition
among the distillers is a
matter beyond control
by the Govt, but something
might be done ^{with the Govt} by the
adoption of trustworthy
& independent distillers
in each Sudder District
& it is the clear duty;

Office to do this if it is
proper.

The execution of points
1 & 3 can only be effected
by a more active and
watchful supervision
on the part of the
Indian Districers, and
it may be advisable to
unite the supervising
Est. with this object;
also perhaps to place
the Districers in more
suitable localities therefor
than at present.

The Districers should
be treated as men they
can be constantly in-
spected by the Dist.
Officers, and the arrange-
ments for their security
should be such as to
prevent the smuggling
of liquor from them
impossible without de-
tection. The supervi-
sors should probably
be better paid than
at present, and the
Est. should be equali-
v properly remunerated
in the case of Dist. for
doing on the frontier
where the illicit man-
ufacture of spirits is
being practised.

any Agency may
be required, to act
in subordination to
the Supervisor or under
the direct orders of the
Dist. Office, and I shall
be prepared to consider
any recommendation for
such an Act.

It may further be
advisable to employ
an Officer of the Am-
erican Spirit Company to
visit & enquire into
the working of each Ind-
ian District, i.e. Council
with the District, & this
may also be considered.
b. With regard to Mr.
Shaw's proposals on the
part of the Spirit Company
to the suggestion that
"Govt. should continue
for the manufacture
of spirits & the sale
the latter at its own
risk, I am not in fa-
vor of the latter re-
solved which appears
to me to be a
special objection, &
I think it might
be worth while to try
the former for a
limited time if the
should appear to

upon the currency -
increased of half has been
in force for a fair time.

I think no change should
be made till after the
close of the current year,
and that if then thought
necessary the measure
might be tried at the
close of 1875/76, due no-
tice being given to the
present distillers con-
cerned - It might be tried
first in Iowa &c.

I am quite in favor of
encouraging the people
of the province to carry
on this business, in pre-
ference to outsiders but
if ^{they participate in it} they ^{are} to be
sent the chief objects
of the system, the for-
eigners must throw them out!

8. It will I think be ne-
cessary to require all
distillers to take out
an annual license
if they do not already
& this will be reported
on.

9. I am not disposed
to make any change in
the present rules pre-
scribing the rates at
which it shall be sold

pay any one for
the sale of arrears
by distillers or
detail vendors, though
such should be done
in the case of whole-
sale vendors, who
ensure a... abolition
of the duty...

10. Mr. Shaw might
be informed deini
specifically of the prin-
ciple of para 6 of
this Bill; - and if
wise perhaps he would
to cause it to be in-
troduced to Distillers
generally that the
fact of a combina-
tion amongst them
has been brought to
my notice, and that
as such is calcula-
ted to defeat the
objects of the Vado
distilling system, the
Govt. will have to
take such steps
or other measures
be taken to amend
this state of things.
It should, I think, be
a condition of the dis-
tillers' license that
the holder engages to
to combine with no

in the same sudden
nothing. They would
toughen the hands of
it in dealing with
the question --

Re. lu

21.9.74

After
put up statement
showing present
establishment
maintained by
lost at each
still, also arranged
the meeting
adopted for
testing purpose
As per

20. 68

memo.

In his Proceedings No. 5216 Dated 16th October 1874. N. 37. the Chief Commissioner directed that the Comm^{rs} of Divisions should submit reports regarding the character and qualifications of each of the present Judder Distillery Officials with the view of revising their pay and emoluments. It was also required that the testors in the several Distilleries in the province should be sent up for examination to Bangalore in December last. -

2. As regards the latter all the testors in the province with the exception of those named in the margin have been examined by the Asst^{nt} Commissary General, Colonel Moore and by Mr. Abraham of the firm of Abraham and Co. at the request of the Comm^{rs} of Mandidrang. A list of the names of the testors together with the certificates obtained by them is herewith submitted.

For Haripur.
" Siralkoppa. -

Commissioners have sent reports about the character, qualifications and emoluments of the distillery servants in the divisions. — (1). The Commr of Kandigar remarks at the Establishments require thorough revision in order to obtain superior men in the work it would be necessary to pay Rs 100 at least to the supervisor at Bangalore and Rs 60 to those at Kolar and Tumkoo. There are also some slight alterations proposed by him in the pay of the lower class of servants. (2). The Commr of Ashtagram submits a list of the establishments at Pakhal and Hassan, stating that the officials are fairly qualified for the appointments they hold. (3). The Commr of Kargal forwards copies of letters from Deputy Commrs stating that the distillery servants are generally well qualified to do their duty, and submits a list of their services pay &c. — 4. With reference to the —

showing the Revenue
by Govt and the onerous
and responsible duties the
Darogas or Supervisors
have to perform I recom-
mend that the Darogah at
Bangalore should be paid
at least a salary not less
than Rs 150 per mensem.
Those at Mysore and She-
moga be paid Rs 120 and
those at the other stations
Rs 100 each. I recommend
that each of these should
get a horse allowance of
Rs 30 as they have not
only the charge of Sudder
Distilleries at the Head
quarters but have also
to move through their districts
to check smuggling &c.

5. To carry out the measure
introduced into the Mysore
District with reference
to the Pabballi Sudder
Distillery, Major Hay asks
for an extra establishment
which was recommended
to be sanctioned pending
the introduction of the
General Scheme.

6. The officers appointed

up to 4 & above may also
be entrusted with the super-
vision of the other kindred
items of Toddy, Ganja,
Ganja and opium. They
may also see that date
jumbles are properly con-
served and young ones not
worked and thereby destroyed
by the contractors.

M. J. P. M.
26/5/25

I think that the points reserved for
decision in the C.C. No. 7 1600/74
should be dealt with comprehensively.

Para 8. Clause 1. Has the Council of Kandy
deputed or has proposed to depute
certain members of the Kandy
Kotah Dutt?

+ Submitted in
the 3rd

- 1 - 4. Have the separate orders regarding the
Kandy Dutt issued? There can be
need for a separate Kandy Dutt;
the Kandy Co. having taken up the
Kandy Dutt.

Clause 2. The Kandy Dutt has been selected for
the introduction of an improvement.
decision - Has the Council been deputed
addressed on the subject as there is

Clause 3. deals with the subject of leasing the pay
of the District officials - which is
discussed in the memo above - a
provision of when a decision has been
arrived at, as to the nature of the lease
arrangements adopted.

Para 9. So far as I am aware, nothing has been done to
reach any conclusion from the Districts in the
Kandy Dutt - for this I have prepared a
notice to issue from the District Office to the effect
that the Kandy Dutt is not to be taken up from the District Office

45

Memorandum

Letter No 3088 of the 31st August 1875 from the Government of India, Financial Department.

Mysore being an inland Province, and having no sea-border, the European liquor coming into the Province must be imported from the Sea-port towns on the Coast. The new Tariff Act XVI of 1875 being only applicable to British India cannot have any force in Mysore.

2. The Government of India now ask in their letter with reference to the Act in question what measure may be recommended to increase the excise duty on Country

increase that the duty on im-
ported European liquor has
received under the Act in
question; in other words, the
Government want to guard
against the importation of
Mysore-made liquor into
Her Majesty's Territories
or to prevent any diminution
in the consumption of Euro-
pean liquor which is subject
to the payment of the increased
duty under the Act.

3. Hitherto it has been
a question discussed by the
Mysore authorities and no
satisfactory conclusion has
been arrived at as to whether
the price of the license for
selling European liquor may
be increased so as to prevent
Cheap brandy and such like
Spirits supplanting the
Country made arrack and
thereby diminishing the
Government Abkari revenue.

This question has arisen after
the Government have decided to

the still head duty on arrack
to Rupees 3 and 2-8-0 per
Gallon in the Towns of
Bangalore and Mysore
respectively and to Rupees
2-0-0 elsewhere in the Pro-
vince. Some of our Revenue
Officers are of opinion that
the rates are high and
apprehend that they may
lead to a diminution in the
quantity of consumption
and consequently of revenue
as there is hardly much
difference between the pre-
sent price of a bottle of
arrack, namely, 14 annas
and that of a cheap European
spirits sold perhaps for
one Rupee in a carefully
corked and well labelled
Bottle, to say nothing
of the difficulties lying
in the way of getting
the former (Arrack) for
consumption in any
quantity and at any place

A report has already been made to the Government of India mentioning the change in the system introduced into the District of Mysore under which liquor manufactured by Contractors is received into Government Stores and sold to licensed vendors at the rate of Rupees 4-0-0 per gallon, in the town of Mysore & Rs 3-8-0 in the Villages. The papers are before the Chief Commissioner for introducing a better change in the administration of the Akbari Revenue of the Province, and for introducing what is called the experimental farming system, under which, a certain amount of minimum revenue is guaranteed to the State while divesting it of direct management in the liquor trade

and secured to Government
its share of the profits, a-
rising from Consumption
of liquor over and above the
guaranteed minimum.

4. I may here state that
Arrack in this Province is
distilled and sold at a
strength 19° below proof in
all the Districts except in
Mysore in which it is re-
duced to 22° below proof.
In the Schedule attached to
the Act, the Import duty
on spirits is put down at
4-0-0 Rupees per Gallon of
London proof. If our excise
rates are in proportion
to the above mentioned scale
that is to say Rupees 4-0-0
per London proof, we may
report that our prices need
not be altered, but should
they even fall short of the
proportion, I would not
recommend the duty on ar-
ack being raised with an

Assuming that on 100
bottles is 100 Rupees value,
on locally distilled Arrack
there is a higher duty than 4.
Rs per gallon, at the minimum
strength of 19° below proof
at Bangalore. 22° below
at Mysore.

the recently introduced scheme raising the rates of stillhead duty to those now in force, and before knowing the result of the operation of the new Tariff Act as to whether the manufacturers and dealer would deem it necessary to raise their price or content themselves with less profits than before to prevent trade suffering and eventually proving detrimental to their interests.

5. With regard to Beer, proposals are already before the Chief Commissioner for raising the duty from 2 to 4 annas per gallon, and no orders have as yet been passed.

1867
27/1/75

Let me know at once what
the duty of 2.8 per gall
on 14° below proof is ~~on proof~~
equivalent on proof spirit.
The scale in Sykes Hydri-
meter box will show at
once how many gallons
of proof are represented
by 100 gallons 14° u.p. - Then
if the 250 be divided by this
number it will give the
rate of duty.

A letter has been drafted to
letting the rate at which
spirit is sold at the
minimum strength price for
Kangala & Mysore respecting
and the retail value price for
the Mysore Dist. where it may be
assumed are somewhat lower
than those derived from the
Distiller in the other Districts.
The Mysore Dist. there also
from where there are purchases
and thereby the access price
paid by the consumer on the average,
the assumption that each shop
sells 50 gallons a week. By 18/10

The duty of Rs 2-8- per gallon
 on 19° below proof on London
 proof is ^{Rs 2-15-7 1/2} and
 it is calculated as follows

$$\begin{array}{r}
 119 : 100 :: 100 \\
 \hline
 100 \\
 119 \overline{) 10000} \\
 \underline{11900} \quad \text{Rs} \\
 8100 \quad \text{250} \\
 \underline{11900}
 \end{array}$$

Rs 2-15-7 1/2

I may here add that in
 Mysore District, the Govt
 rate was at Rs 4 and Rs 4
 per gallon, and this would
 produce a result of ^{Rs 4-2-7} Rs 4-12-11
 in ^{respectively} Gallon according to the
 foregoing calculation

In Bangalore where the rate
 is Rs 3- per gallon of 19°
 below proof, the London
 proof liquor must fetch
 a duty of Rs 3-9-2 nearly
 in the other parts of the

Province where the ratio
is No 2-u, the London
Prof liquor must

yield a duty of No 2-6-1
very nearly.

I cannot but add to
calculate the ratio
in the manner directed
by the Commissioners as
the instrument we have
in the office does not
give the ratio mentioned
in his will -

W^m 18/1

W^m
10/1/76

1874.

GOVERNMENT OF MYSORE.

REVENUE.

CIRCULAR.

To

THE COMMISSIONERS OF DIVISIONS

Dated October 16th.

Despatched

Received

R. 37.

Conveying Chief Commissioner's observations regarding the working of the Abka arrangements of the Province under the

No. 5216—REV. 37, DATED BANGALORE, 16TH OCTOBER 1874.

ORDER.—The Chief Commissioner's attention has lately been directed to certain alleged irregularities in the working of the Abkari arrangements of the Province under the Sadar Distillery system, which appear to call for early consideration.

2. The very keystone of that system is competition among the distillers, which should result in keeping the price of liquor moderately low; but it appears to be beyond doubt that such competition does not in reality exist, and that there is a combination amongst the manufacturers in some cases at least, to an extent which virtually makes them simply shareholders in a highly profitable business.

3. It is further alleged that the distillers generally take little interest at present in the detection and prevention of smuggling and the illicit manufacture of spirits, and there is also ground for the suspicion that liquor is not unfrequently passed out of the distilleries above the authorized strength, viz., 19° below proof.

4. It is clear that these evils, which the Chief Commissioner is satisfied really exist to a greater or less extent, should not be suffered to continue unchecked.

5. Sir Richard Meade's views on the subject are strongly in favor of the Sadar Distillery system, but unless the main feature of that system, viz., competition among the manufacturers of spirits is fully maintained, it must be evident that the system works defectively on one of the chief points essential to its success.

6. Some modification of the system to meet this drawback appears therefore to be called for under the present state of things in these respects, and the expediency of introducing certain measures with this object into one or two Districts, experimentally, is now under the Chief Commissioner's consideration.

District.	Names of Distilleries.	No. of gallons issued.		Total Revenue realized.		Popula- tion.	Average con- sumption per head.			Establishment maintained by Government.	
		G.	B. D.	Rs.	A. P.		G.	B.	D.	Rs.	A. P.
Bangalore	Bangalore	1,24,984	0 6	2,93,981	12 3	828,354	0	0	7	215	0 0
Kolar	Gudibanda	14,675	4 4	18,344	11 3	618,954	0	0	1½	2,580	0 0
	Shrinivasapur	6,982	2 2	8,727	15 6					78	0 0
Tumkūr	Bhimasamudra	6,126	3 0	6,126	8 0	632,239	0	0	7	936	0 0
Mysore...	Palhalli	23,350	4 4	30,911	11 1	943,187	0	0	15	1,356	0 0
Hassan...	Hassan	8,366	1 3	11,661	0 2	668,417	0	0	9	1,356	0 0
Shimoga	Shimoga	20,825	0 0	20,558	5 6	498,976	0	0	3 1	1,380	0 0
	Sagar	6,329	0 0	6,204	0 0					102	0 0
	Siralkoppa	5,048	0 0	4,985	4 0					102	0 0
Kadur	Chikmagalur	15,934	1 0	15,152	4 8	333,925	0	0	3½	1,224	0 0
	Hariharpur	3,053	0 0	3,053	0 0					71	0 0
	Tarikere	3,804	2 4	3,804	8 0					102	0 0
Chitaldroog	Chitaldroog	7,903	2 4	7,432	4 0	531,360	0	0	1 1	1,224	0 0
	Harihar	4,812	0 0	4,812	0 0					92	0 0
Total.....		2,52,194	4 3	4,35,755	4	25,055,412				1,524	0 0
										18,288	0 0

7. The marginal table shews the existing Distilleries in each District, the number of gallons of spirits issued from each, and the total revenue realized from Government thereon in 1872—73; together with the total population of each District, the average consumption per head of such population, and the establishment maintained by Government at each Distillery.

8. The following points appear naturally to suggest themselves for enquiry in con-

- (1) The necessity for the maintenance or otherwise of all the existing Distilleries, and if one Distillery maintained at District Head Quarter would not suffice for each District.

This question has already been dealt with as regards the Nagar Division, which the abolition of the Distilleries at the out-stations noted in the margin has been ordered. It has yet to be considered with reference to the Kolar District, and will be reported on by the Deputy Commissioner.

1. Siralkop.
2. Harihar.
3. Tarikere.

As regards the Ashtagram Division separate orders will be issued.

- (2) The suspiciously small consumption of liquor in some Districts, especially Tumkūr and Hassan. In the former the Sadar Distillery system can only be regarded as a failure. The distillery is only occupied by one distiller, and the consumption is so low as to render it impossible to resist the conviction that smuggling in some form must be general in the District.

The circumstances of this distillery suggest the advisability of selecting it for the introduction of the measures referred to above in para 6, and the Chief Commissioner proposes that this shall be done, a reasonable time for closing his business being given to the present distiller, on which latter point the Commissioner of the Division will be communicated with.

- (3) It appears to Sir Richard Meade that the pay of the Government official employed to supervise the distilleries is disproportionately small when considered with reference to the responsibility of their position and the duties expected of them.

These officials are known by several designations at present, and their pay ranges from Rs. 30 to 80 per mensem. The Chief Commissioner considers that they should all in future be termed "Darogas" and be classed in those grades according to the quantity of liquor issued from each Distillery, with suitable rates of pay fixed for each.

Proposals with this object will be submitted for the sanction of the Government of India, to have effect from the beginning of next year, and in the meantime, the character and qualifications of each of the present Sadar Distillery officials will be specially reported on for the Chief Commissioner's information.

With regard to the Testors, there is reason to believe that they are imperfectly acquainted with their duty, simple as it is, and arrangements will be made to secure their presence at Bangalore on 1st December next, in view to their qualifications for their posts being examined by a competent person.

On a consideration of all the circumstances glanced at in the foregoing remarks, the Commissioner deems it necessary that all persons engaged in the manufacture of spirits in the Sadar Distilleries of the Province shall in future take out an annual license herefor, the provisions of which shall bind them not to combine with any other person in the same Sadar Distillery, or to parties to any measure which has for its object the prevention of competition, and also to use their best endeavours to prevent smuggling and the illicit manufacture of spirits.

H. WELLESLEY,
Offg. Secretary.

Commissioners of Divisions.

N^o 10170
R 147

07.27th March 1876.

SR
80-1874
2

Pro: of the Chf Commr.

Order.

Referring to Proce-
ings No. 5216 dated 16
October 1874³⁷, the Offg.
Chf Commr. ^{has} requests that
in view of a ~~proposed~~ ^{proposed} revision,
the existing arrange-
ments at the Sudder
Distillery at Bangalore
may be continued on
present terms ~~only~~ up
to 30th June next.

To, The Commr. Hyderabad
The Dy Commr. Bangalore.

Offg Secy.

Revenue Dept. No. 14
366 1876.

To The Commissioner
Sundewy Division

Dated 27th March 1876.

Respected Sir

No. 10190 ✓
R 147

Communicating orders
relative to the Sudder
Distillery at Bangalore